

Message Text

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ORIGIN XMB-04

INFO OCT-01 NEA-10 ISO-00 EB-08 COME-00 /023 R

XMB

DRAFTED BY XMB: L M LAROCHE:CR
APPROVED BY NEA/AFN:JKBISHOP
XMB: C NORRIS
EB/IFD/ODF:TPARKER

-----027536 262225Z /64

P R 261746Z OCT 77
FM SECSTATE WASHDC
TO AMEMBASSY ALGIERS PRIORITY
INFO AMCONSUL ORAN

UNCLAS STATE 256167

E.O. 11652: N/A

TAGS: EFIN, AG

SUBJECT: EXIMBANK WRAP-UP: (A) RATE REDUCTION, (B) ALRAR
CONDENSATES, (C) ARZEW LPG, (D) SONACOME

1. IN THE COURSE OF APPROVING EXTENSION OF PRELIMINARY
COMMITMENT (PC) ON LNG-2 TO 31 DEC. 77 AND LNG-3 TO 31
MAR. 78 ON 13 OCT., IN CONJUNCTION WITH ONE-FOURTH OF ONE
PERCENT DECREASE IN OVERALL EXIM INTEREST RATE SCALE,
EXIM ALSO APPROVED HARMONIZING RATES ON BOTH PC'S TO 8.5
PERCENT. EXIM SO ADVISED GOA IN TELEX 18 OCT. FROM
CHAIRMAN MOORE TO MIN FIN BENYAHIA, AND COPIED TO SMARA
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OF SONATRACH FINANCE DIV. ON 19 OCT.

2. ON 20 OCT. EXIM APPROVED PC NO. 4031 TO FLUOR CORP.
TO ASSIST IN FINANCING DOLS. 178 MILLION IN U.S. COSTS OF
GAS CYCLING PROJECT TO PRODUCE CONDENSATES AT ALRAR. PC
CALLS FOR 15 PERCENT (DOLS. 26.7 MILLION) CASH PAYMENT,
50 PERCENT (DOLS. 89 MILLION) EXIM LOAN AT 8.5 PERCENT
INTEREST, AND 35 PERCENT (DOLS. 62.3 MILLION) UNGUARANTE
PRIVATE LOAN: REPAYMENT IN 16 S/A'S BEGINNING 6 MOS.

AFTER START-UP, BUT NOT LATER THAN 31 DEC. 81. BANK
SENDING TELEX TO SMARA ACCORDINGLY, AND POUCHING COPY OF
PC TO EMBASSY AS USUAL.

3. ALSO ON 20 OCT. EXIM APPROVED LETTER OF INTEREST TO
RALPH M. PARSONS CO. ON LIQUEFIED PETROLEUM GAS (LPG)
PROJECT AT ARZEW WITH EST U.S. COST OF DOLS. 220 MILLION
AND TOTAL COST OF NEARLY DOLS. 400 MILLION. PROJECT
WOULD INVOLVE TWO PHASES - MODIFICATION OF EXISTING LPG
PLANT (WHICH IS UNRELATED TO ANY OF LNG PLANTS) AND
CONSTRUCTION OF NEW PLANT. SONATRACH HAD INDICATED
DURING RECENT EXIM VISIT TO ALGERIA THAT NEW PLANT WOULD
NOT ADJOIN EXISTING PLANT, MIGHT PRECEDE MODIFICATION OF
EXISTING PLANT, AND TWO PHASES SHOULD BE CONSIDERED AS
DISTINCT.

4. AGREEMENT ON CREDIT NO. 6298 TO SONACOME FOR INGERSOLL
RAND COMPRESSOR PLANT WAS SIGNED 12 OCT. GUARANTEE
AGREEMENT WITH BAD NOT SIGNED YET, ACCORDING TO BOUCHAIB,
DUE TO CONTINUED RESERVATIONS BY BAD ON CERTAIN LANGUAGE,
WHICH IS BEING DISCUSSED WITH EXIM COUNSEL.

5. EMBASSY'S AND CONSULATE'S ASSISTANCE DURING RECENT
EXIM VISIT APPRECIATED BY TEAM. REPORT WILL FOLLOW WHEN
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READY. VANCE

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LPG, ECONOMIC DEVELOPMENT, PROGRAMS (PROJECTS), LOANS
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE256167
Document Source: CORE
Document Unique ID: 00
Drafter: L M LAROCHE:CR
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770393-0861
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771019/aaaaaqdy.tel
Line Count: 93
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8a1e9126-c288-dd11-92da-001cc4696bcc
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: n/a
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Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 04-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 781755
Secure: OPEN
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Subject: EXIMBANK WRAP-UP: (A) RATE REDUCTION, (B) ALRAR CONDENSATES, (C) ARZEW LPG, (D) SONACOME
TAGS: EFIN, AG, XMB
To: ALGIERS
Type: TE
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